

SEP 30 '98

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September 29, 1998

Janice Fort
Surface Transportation Board
Recordation Office
1925 K Street
Suite 70
Washington D.C. 20423

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Dear Janice,

Enclosed is an original plus 2 copies, all notarized. This is a Memorandum of Railcar Lease between The Cit Group/Equipment Financing Inc. and PCS Nitrogen Fertilizer LP. dated 9/17/98. Also, enclosed is a check made payable to: Surface Transportation Board.

After recording the document, please return the acknowledgment copy to my attention. I have enclosed a FED X air bill to return the results to me.

If you have any questions regarding the filing, please feel free to call me at 800-634-9738 ext. 20254.

Thank you for your prompt assistance.

Sincerely,

Rebecca Heisler
Administrator

enclosure

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MEMORANDUM OF RAILCAR LEASE

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 17th day of September 1998, is made by PCS Nitrogen Fertilizer, L.P., a Delaware limited partnership, with an address at 3175 Lennox Park Blvd., Suite 400, Memphis, TN 38115 (collectively "Lessee"), and The CIT Group/Equipment Financing, Inc., a New York corporation, with an address at 1211 Avenue of the Americas, New York, New York 10036 (the "Lessor" and, together with the Lessee, the "Parties") ("Memorandum").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee entered into that certain Master Railcar Lease (the "Lease") dated as of the date hereof covering the equipment listed on Schedule 01 hereto (the "Equipment");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the Parties and accordingly the Parties have caused this Memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

THE CIT GROUP/
EQUIPMENT FINANCING, INC.
Lessor

PCS NITROGEN FERTILIZER, L.P.
Lessee
BY: PCS NITROGEN FERTILIZER
OPERATIONS, INC.
General Partner

By: [Signature]

By: [Signature]

Title: Senior Vice President

Title: PRESIDENT

Date: September 17, 1998

Date: 2/11/98 [Signature]

STATE OF

COUNTY OF

Tennessee
SS: Shelby

On this 17th day of September, 1998 before me personally appears James F. Dietz to me personally known, who by me duly sworn, says that he/she is the President of PCS NITROGEN FERTILIZER OPERATIONS, INC., General Partner of PCS NITROGEN FERTILIZER, L.P. (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Juan M. Borna
Notary Public

[SEAL]

My Commission expires:

My Commission Expires Jan. 31, 2001

STATE OF NEW YORK)

) SS:

COUNTY OF NEW YORK)

On this 17th day of September, 1998 before me personally appears Victoria McManus to me personally known, who by me duly sworn, says that he/she is the SENIOR VP of THE CIT GROUP/EQUIPMENT FINANCING, INC. (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Barbara Garner
Notary Public

[SEAL]

My Commission expires

BARBARA GARNER
Notary Public, State of New York
No. 01GA5065133
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires Sept. 3, 1998

2000

Schedule 01

<u>Quantity</u>	<u>Equipment Description</u>	<u>Reporting Marks and Numbers</u>
50	5150 c.f. capacity covered hopper railcars equipped w/ trough hatches and gravity gates	See Schedule A attached

SCHEDULE A

1	CEFX 10832	26	CEFX 10871
2	CEFX 10834	27	CEFX 10882
3	CEFX 10835	28	CEFX 10883
4	CEFX 10836	29	CEFX 10884
5	CEFX 10837	30	CEFX 10885
6	CEFX 10838	31	CEFX 10886
7	CEFX 10839	32	CEFX 10887
8	CEFX 10840	33	CEFX 10888
9	CEFX 10841	34	CEFX 10889
10	CEFX 10843	35	CEFX 10890
11	CEFX 10844	36	CEFX 10891
12	CEFX 10846	37	CEFX 10893
13	CEFX 10848	38	CEFX 10895
14	CEFX 10852	39	CEFX 10896
15	CEFX 10853	40	CEFX 10900
16	CEFX 10854	41	CEFX 10901
17	CEFX 10855	42	CEFX 10904
18	CEFX 10859	43	CEFX 10914
19	CEFX 10860	44	CEFX 10915
20	CEFX 10861	45	CEFX 10926
21	CEFX 10862	46	CEFX 10927
22	CEFX 10863	47	CEFX 10928
23	CEFX 10864	48	CEFX 10929
24	CEFX 10865	49	CEFX 10931
25	CEFX 10867	50	CEFX 18066